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Summary record of the 17th meeting
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Chairman: Mr. Sharma ..... (Nepal)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

Contents

Agenda item 112: Programme budget for the biennium 2002-2003 (*continued*)

Capital master plan (*continued*)

Agenda item 118: Human resources management

Human resources management reform

Monitoring capacity in the Office of Human Resources Management

Composition of the Secretariat

Amendments to the Staff Rules

Consultants and individual contractors

Employment of retired former staff

Report of the Office of Internal Oversight Services on possible discrimination due to nationality, race, sex, religion and language in recruitment, promotion and placement

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The meeting was called to order at 10.05 a.m.

Agenda item 112: Programme budget for the biennium 2002-2003 (*continued*)

Capital master plan (continued) (A/57/7/Add.4 and A/57/285)

1. **Mr. Dutton** (Australia), speaking also on behalf of Canada and New Zealand, said that the need to refurbish and modernize the Headquarters complex was clear. For as long as it remained in its current state, the building was an asset of declining value and spiralling maintenance costs. Nevertheless, in view of the complexity of such an undertaking, he would appreciate further details concerning requirements for meeting rooms and information technology infrastructure, as well as safety and security guarantees. The first approach to phasing and swing space described in the report of the Secretary-General seemed to be more convenient than the second approach; it would also provide a better end result. However, since the second approach offered a viable alternative, he would be interested to hear the views of other delegations.

2. The General Assembly should decide during the current session to proceed with the capital master plan, thereby demonstrating its commitment to the project. The Committee should choose one of the options before it and approve the $22.5 million needed in 2003 for the preparation of detailed designs. At the fifty-eighth session, the Committee should consider the progress that had been made and it should consider developments on an annual basis thereafter, with the help of constant oversight by the Office of Internal Oversight Services (OIOS) and the Board of Auditors. Since a decision would be required on financing at the fifty-eighth session, it would be useful to receive proposals from the host Government in advance of that session. An interest-free loan would be the most appropriate method of financing, although there were also possibilities for encouraging donations from Member States and the global private sector. It would be an appropriate recognition of the considerable economic benefits that the United Nations brought to New York if the host Government were to offer to grant such a loan.

3. **Mr. Zhang** Yishan (China) said that finalizing the capital master plan was only the first step in the process. The key to its implementation was the availability and use of resources. However well-designed it was, it would remain merely a strategy until resources for it were found. His delegation favoured the solution used 50 years earlier for the original construction of the Secretariat building: interest-free loans.

4. The United Nations Headquarters complex had become part of the fabric of New York City, and both the Organization and the city had drawn advantage from their relationship. His delegation hoped and expected that the host country would continue to provide material and moral support for the capital master plan. A clear pledge from the host Government regarding its financing would greatly facilitate the final decision of the Member States. His delegation believed that when honour and expectation beckoned, the host country and New York City would not forget their duties and responsibilities.

5. **Mr. Manczyk** (Poland) said that his delegation aligned itself with the comments made on behalf of the European Union and associated countries. It fully supported the proposal for an extensive refurbishment of the United Nations Headquarters, since the complex did not conform to current fire, safety and security standards. Given the high cost of reactive maintenance, the capital master plan was the most viable option. However, he asked for a firmer commitment from the host city with regard to the construction of a new building to be used as swing space. While he endorsed the recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) concerning the first approach to phasing, further information on the prevention of cost overruns should be provided during informal consultations to reassure Member States that resources would be used efficiently. Established financial regulations and procedures should be applied strictly to every stage of the capital master plan, with the involvement of OIOS and Board of Auditors throughout.

6. **Mr. Musambachime** (Zambia) said that with a complete overhaul of the United Nations Headquarters complex unavoidable, the methods of achieving that overhaul without disrupting the activities of the Organization should be examined and the financial implications of the project considered. While vacating the building while the work was in progress would reduce costs and shorten the duration of the work, it would hamper the smooth operation of meetings. It was

not possible for the Organization to suspend its activities, so a balance needed to be struck between the need to reduce costs and the need to minimize disruption.

7. The success of the capital master plan would be determined by the arrangements made to finance it. A unique form of cooperation between New York City, New York State, the host Government and the Member States had made it possible to construct the Headquarters complex over 50 years earlier. His delegation hoped that the same kind of cooperation would be possible for the refurbishing of the complex. However, it believed that the list of potential donors of funds should include private companies, non-governmental organizations, foundations and private citizens of the world. Commercial borrowing should be a last resort, used only if there was a shortfall in donations. He urged the Committee to approve the proposed plan to enable the Secretariat to prepare a financing arrangement for consideration by the General Assembly.

Agenda item 118: Human resources management

Human resources management reform (A/57/293 and A/57/469)

Monitoring capacity in the Office of Human Resources Management (A/57/276 and A/57/469)

Composition of the Secretariat (A/57/414; A/C.5/56/L.7)

Amendments to the Staff Rules (A/57/126)

Consultants and individual contractors (A/57/310 and A/57/469)

Employment of retired former staff (A/57/413 and A/57/469)

Report of the Office of Internal Oversight Services on possible discrimination due to nationality, race, sex, religion and language in recruitment, promotion and placement (A/56/956 and Add.1)

8. **Ms. Salim** (Assistant Secretary-General for Human Resources Management), introducing the report of the Secretary-General on human resources management reform (A/57/293), submitted pursuant to General Assembly resolution 55/258 and General Assembly decision 56/462, said that the Office of Human Resources Management was proud of the progress it had made in reforming the management of human resources in the global Secretariat. That reform would continue. The Secretary-General invited the General Assembly to take note of the account of the progress achieved and the action envisaged in the future. The time had come to consolidate and institutionalize the changes already made, and to make further improvements to bring human resources policy into line with operational needs and worldwide standards of good practice.

9. She drew the attention of the Committee to the cross-cutting issues described in section IV of the report: geographical representation, unplanned vacancies, rejuvenation and young professional staff, mobility, and accountability, responsibility, monitoring and control mechanisms.

10. An important development had taken place after the report had been completed. Consultations during the twenty-sixth session of the Staff-Management Coordination Committee from 26 September to 2 October 2002 had led to the adoption of consensus recommendations for presentation to the Secretary-General. Those recommendations would enable the Secretary-General to put forward the definitive proposals on new contractual arrangements requested by the General Assembly in resolution 55/258, for consideration in 2003.

11. Introducing the report of the Secretary-General on monitoring capacity in the Office of Human Resources Management (A/57/276), submitted pursuant to General Assembly resolution 55/258, she said that monitoring was critical for compliance and sanctions and for providing timely assistance, advice, guidance and support. The Office looked forward to the endorsement by the General Assembly of the approach outlined in the report, which would give it comprehensive monitoring capacity.

12. As required by Staff Regulation 12.3, the report of the Secretary-General on amendments to the Staff Rules (A/57/126) contained the full text of new rules and amendments to existing rules which the Secretary-General intended to implement as from 1 January 2003. It also explained the grounds for those new or amended provisions. The Secretary-General recommended that the General Assembly should take note of them.

13. As requested in General Assembly resolution 55/258, the report of the Secretary-General on the composition of the Secretariat (A/57/414) analysed the ramifications of changing the relative weight of the population factor in the calculation of desirable ranges for the implementation of posts. The analysis showed that the midpoints of the majority of Member States would be only marginally influenced by the changes. An increase in the population factor of 1 or 2 per cent would be to the advantage of eight Member States with a population of over 200 million, and to the detriment of eight Member States which were major contributors to the regular budget of the United Nations.

14. The report of the Secretary-General on consultants and individual contractors (A/57/310), submitted pursuant to General Assembly resolution 53/221, indicated progress in recruiting from a larger number of countries: 156 countries in the case of consultants and 116 countries in the case of individual contractors.

15. The report of the Secretary-General on the employment of retired former staff (A/57/413), submitted pursuant to General Assembly decision 51/408, showed that the number of engagements of retired former staff members in the biennium 2000-2001 had increased by 3.4 per cent compared to the biennium 1998-1999. Approximately 44 per cent of the engagements were in the Professional and higher categories, about 27 per cent were in the Field Service, General Service and related categories, and about 28 per cent were by special service agreement. Action by the General Assembly was required to allow an adjustment to the permissible earnings for retired freelance language staff, to allow for 125 workdays per year.

16. Over the years, the Office of Human Resources Management had been guided by the Committee in the development of new initiatives and it would continue to follow its guidance. Many of the initiatives described in the report on human resources management reform had broken new ground. One example was the new staff selection system introduced on 1 May 2002. It reflected the principles of merit, transparency and accountability, all issues of concern to the Member States, staff and managers. It was supported by an automated system, Galaxy, and an intensive communication and learning programme. Technology, learning and communication would continue to be included in future initiatives for change, and lessons would be drawn from recent experience. The goal was to bring about a culture of results, high performance, managerial excellence and continuous learning.

17. **Mr. Nair** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services on possible discrimination due to nationality, race, sex, religion and language in recruitment, promotion and placement (A/56/956), submitted pursuant to General Assembly resolution 55/258, said that the objectives of the inspection by OIOS had been to determine whether there was evidence of discrimination based on regional grouping, gender or language in recruitment, placement or promotion, whether the rules, regulations, policies and procedures of the Organization were effective in preventing such discrimination, and whether the Organization's methods of investigating allegations of discrimination were effective and transparent.

18. The inspection had collected data covering the period from 1996 to 2001. It had found no systematic or consistent impairment of equal opportunity for particular regional groups. Gains towards achieving gender parity had been slow, and action was needed to recruit and promote women, especially in the higher grades, and to counteract the rising separation rate for women. The data available had not made it possible to make a constructive analysis of potential discrimination on the grounds of language.

19. Current mechanisms for handling complaints needed to be strengthened. The Office of Internal Oversight Services had noted that in April 2002 the Secretary-General had appointed an Ombudsman to facilitate conflict resolution. The Office favoured seeking to resolve disputes early, as that improved the morale of the staff and minimized cost.

20. The Office of Human Resources Management was leading a process of reform of the recruitment, placement and promotion system. The new method of staff selection should address some of the problems identified in the previous system. Success depended on managers' accountability for their decisions, and on strict monitoring of the implementation of the system.

21. The Secretary-General had agreed with the recommendations in the report, including the need to establish a policy on discrimination, and had confirmed his commitment to ensuring that discrimination was not

tolerated and that any allegations of discrimination were promptly addressed.

22. **Mr. Ouedraogo** (Joint Inspection Unit), introducing the comments of the Joint Inspection Unit on the report of the Office of Internal Oversight Services on possible discrimination due to nationality, race, sex, religion and language in recruitment, promotion and placement (A/56/956/Add.1), drew attention to translation errors in paragraphs 1 and 5 of the French version of the document, which were no doubt due to excessive reliance on self-revision. The Unit had limited its comments to discrimination due to race and language.

23. On the issue of discrimination due to race, the Assembly was clearly concerned about the possibility that such discrimination might exist. In section V, paragraph 3, of its resolution 53/221, the General Assembly had requested the Secretary-General, as a matter of priority, to ascertain whether racial discrimination existed in recruitment. The fact that the race of its staff members was not kept on record had been found by the Secretariat to have been a major impediment in conducting the exercise. The Unit encouraged the Secretariat to take fuller advantage of the experiences of the World Bank in that area. Exit interviews conducted by the Office of Human Resources Management for staff resigning from the Organization might also serve as a channel to check whether any form of discrimination had been among the reasons for quitting.

24. There were certain difficulties in defining discrimination due to language, mainly stemming from the lack of information. Of 14,905 staff members' files in the Integrated Management Information System (IMIS), only 1,200 records contained information on their mother tongue, thus making impossible any analysis or correlation. In addition, the Office of Human Resources Management had not replied to parts of the Joint Inspection Unit questionnaire dealing with human resources management issues and the replies that had been received from other organizations had not delved at length into the particular issue of grievances based on language. The issue of vacancy announcements was among the areas where there might be a potential for discrimination. A meaningful assessment of possible discrimination due to language would be greatly facilitated if the Assembly were to provide additional guidance to the Secretariat as to whether any of its current practices established a distinction, restriction, exclusion or preference based on language that could be qualified as discrimination.

25. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee contained in document A/57/469, said that the reports of the Secretary-General on consultants and individual contractors (A/57/310) and on the employment of retired former staff (A/57/413) were an important tool available to the General Assembly with which to monitor the Secretariat's practice in the use of such personnel. It was therefore essential to continue to improve the presentation of those reports and to submit them in a timely manner. Given that IMIS was now installed in offices away from Headquarters, it would be easier and faster to collect and analyse the data required for the preparation of reports. The Advisory Committee intended to use the content of the report for 2002 during its examination of the proposed programme budget for the biennium 2004-2005.

26. In paragraphs 2 to 6 of its report, the Advisory Committee highlighted the need for the Secretariat to review the reasons for the excessive number of contracts that had been issued for administrative services and to review the breakdown of consultants and individual contractors with a view to engaging a greater number of them from developing countries and from countries with economies in transition.

27. Paragraphs 7 to 14 dealt with the question of the employment of retired former staff. The Advisory Committee wished to draw the attention of the Fifth Committee to the comments contained in paragraphs 11 to 14 of its report. In paragraph 10, the Advisory Committee concurred in the proposal of the Secretary-General to set the maximum limit on the employment of retired language staff in terms of workdays rather than as a dollar amount. In so doing, it would not be necessary in the future to consider frequent revisions to the limit in order to accommodate cost-of-living adjustments to the daily rate.

28. The Advisory Committee's comments on the reports of the Secretary-General on monitoring capacity in the Office of Human Resources Management (A/57/276) and human resources management reform (A/57/293) were contained in paragraphs 15 to 18 of its report. He wished to draw particular attention to paragraph 17, in which the Advisory Committee expressed the opinion that the

Secretary-General should report in a comprehensive manner on the achievements of the human resources management reform when sufficient information was available on the experiences of the Secretariat with the implementation of the reform initiatives.

29. **Mr. Pulido León** (Venezuela), speaking on behalf of the Group of 77 and China, said that the staff of the Organization played an essential role in the efficient functioning of the United Nations and represented its most important asset. It was in that context that the Group of 77 and China had welcomed the human resources management reforms and had played an active role in their discussion. The United Nations should have the most efficient and competent staff possible and should ensure that they enjoyed the best possible conditions of service.

30. The Group of 77 and China would like to review at the current session the progress that had been made in the implementation of resolution 55/258, in which the Assembly had provided a set of guidelines for human resources management. Human resources management reform was a continuing process and its objectives should include the institution of a fair system of recruitment, placement and promotion; more equitable geographical representation throughout the United Nations system, in accordance with Article 101 of the Charter; appropriate conditions and quality of service for United Nations staff; better communication between staff and the administration; a well-designed and transparent system of delegation of authority together with a proper system of accountability; gender balance; and an effective administration of justice system. The Group of 77 and China would like to participate in the discussions on that item within a broader policy framework that included the elements he had just listed.

31. With regard to the new mobility policy that had been integrated into the staff selection system, adequate incentives should be provided to address work and quality of life issues that affected staff. The Group of 77 and China looked forward to receiving additional information from the Office of Human Resources Management on the implementation of the new mobility policy. It also reiterated its request for clarification of the Secretary-General's proposals concerning contractual arrangements and, in particular, the difference between permanent and continuing contracts and the implications of those proposals for the career prospects and international character of United Nations staff members. The Group would not be in a position to pronounce on those issues without the clarifications sought.

32. The Group of 77 and China was concerned at the delays in the appointment procedures and would like to discuss that subject in the light of the report of the Office of Internal Oversight Services and other relevant reports. It also intended to participate actively in the discussions on the report of the Secretary-General on the establishment of a more robust monitoring capacity in the Office of Human Resources Management for the monitoring of all relevant activities of the Secretariat, and in particular the proposed methodology and mechanisms for enhancing such monitoring.

33. The Group of 77 and China was of the view that further delegation of authority must be accompanied by an improved system of accountability, and that human resources management reform should enhance the productivity and quality of work of the Organization and should under no circumstances lead to staff or budget reductions.

34. **Mr. Christiansen** (Denmark), speaking on behalf of the European Union and the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia and Turkey, and, in addition, Iceland, Liechtenstein and Norway, said that the European Union generally concurred with the recommendations contained in the report of the Advisory Committee (A/57/469). On a number of specific issues, however, it wished to have further discussions during the course of the negotiations.

35. The successful implementation of the human resources management reforms was a high priority for the European Union, which noted that considerable progress had been made in that area and that activities aimed at further strengthening human resources policies and procedures would continue. The Union shared the view that emphasis should be placed on using human resources as a strategic tool to drive organizational change and to create the organizational culture envisaged by Member States and by the Secretary-General. To that end, reform policies and programmes should be based on the fundamental principles of responsibility, accountability, transparency, fairness and efficiency. The European Union agreed with the Advisory Committee that the Secretary-General should be requested to report to the

Assembly at its fifty-ninth session on the implementation of the human resources management reform.

36. **Ms. Buchanan** (New Zealand), speaking also on behalf of Canada and Australia, said that reform was an ongoing process, rather than an event, and that, encouragingly, the Organization had embraced the concept of continuous learning. The overall objective of human resources policies was to establish fair, transparent and measurable systems and to attract, develop and retain high quality staff. With that in mind, she drew attention to some key elements for future work at the strategic level. First, the Organization needed to implement systems that enabled it to respond to a changing internal and external environment; staff mobility and training were key components of that process. Second, the implementation of human resources policies must be monitored effectively, and managers and departments should be held sufficiently accountable; in that regard, she requested advice on the development of specific programme management plans, and welcomed the more strategic approach to monitoring. Third, information concerning past experience must be used to inform future decisions, and new technologies should be fully integrated into that task. Finally, the need to consult staff throughout the reform process should not be overlooked.

37. While she welcomed the findings in the OIOS report, she noted that, although there were some anomalies in the analysis of appointment and promotion data, there was no systematic or consistent pattern of preference or exclusion. Regrettably, the record of the Organization regarding gender parity was less encouraging. Given that fewer women were recruited and promoted at the P-4 to D-2 levels and that greater numbers of women were leaving the Organization, she hoped that new systems, including programme management plans, would help to restore gender parity. Lastly, she asked whether any budgetary implications would result from the recommendation that limits on the employment of retired former language staff should be based on workdays rather than dollars.

38. **Mr. Brar** (India) said that his delegation associated itself with the statement made by the representative of Venezuela on behalf of the Group of 77 and China. He emphasized the importance of a responsive, innovative human resource base and a rewards system that promoted excellence. In that regard, he welcomed the fact that core professional and managerial competencies had been stressed in vacancy announcements issued over the previous two years. While he welcomed the progress made so far in all the ten building blocks contained in General Assembly resolution A/55/258 on human resources management, he pointed out that the monitoring of reform was an ongoing process.

39. Endorsing the recommendations in the report of the Advisory Committee (A/57/469), he drew attention to the request for a comprehensive report on the achievements of human resources management reform, including relevant activities of the Secretariat regardless of the source of funding. The issue of funding was especially important, since less than a third of the posts subject to geographical distribution were financed from the regular budget. While he welcomed the introduction of the Galaxy system for streamlining recruitment and placement, he failed to understand why it had not been referred to in the report of the Secretary-General. In particular, the generic job descriptions in Galaxy would make a valuable contribution towards enhancing fairness and transparency. The system had the potential to reduce dramatically the possibility of managers writing job descriptions to suit individual candidates. It should also bring down the average recruitment time, and provide for the maintenance of rosters of potential candidates for each occupational group. In order to attract and retain highly competent staff, the Noblemaire and Fleming principles should continue to constitute the basis for determining conditions of service. Nevertheless, the attitude of Member States towards improving conditions of service depended very much on the extent to which they perceived the Organization to be carrying out its mandates in an effective and efficient manner.

40. In that context, the rejuvenation of staff continued to be a matter of priority. He expressed concern that the average age of staff had increased to 46.1 years as at 30 June 2002, contrary to the stated objective in General Assembly resolution A/55/258. He asked for information concerning the meeting of the Staff-Management Coordinating Committee which was to have been held in September or October 2002 regarding staff mobility.

41. While his delegation endorsed the recommendation of the Advisory Committee concerning the availability of IMIS-based information

on consultants and individual contractors on a worldwide basis, he would have preferred the use of the phrase "qualified consultants", stressed in General Assembly resolution A/55/258, in the recommendation in paragraph 5 of the Advisory Committee's report (A/57/469). He agreed with the limit of 125 workdays per year on the employment of retired former staff. However, programme managers must not use their inability to plan for vacancies and to process applications in a timely manner as an excuse to engage retired personnel. He welcomed the appointment of an Ombudsman, which should enhance the administration of internal justice. The study into the ramifications of changing the relative weight of the population factor in determining the composition of the Secretariat was a timely initiative, which he hoped would be pursued during informal negotiations so that a consensus could be reached.

42. **Mr. Sabbagh** (Syrian Arab Republic) said that his delegation endorsed the statement made by the representative of Venezuela on behalf of the Group of 77 and China. He wished, however, to comment on the report of the Office of Internal Oversight Services on possible discrimination due to nationality, race, sex, religion and language in recruitment, promotion and placement (A/56/956). In that connection, it should be noted that the provisions of the resolution on human resources management which the Assembly had adopted at its fifty-third session had not been respected. According to that resolution, no classification should be based on the fact of belonging to the Middle East region. Failure to observe the provisions of a resolution adopted by the General Assembly undermined the trust given to the Secretariat. That failure required justification and must be denounced.

The meeting rose at 11.35 a.m.